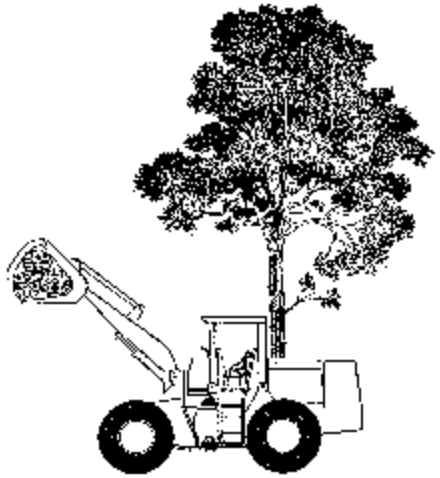
# Missouri Timber Price Trends



## Quarterly Market Report
## Vol. 11 No. 2
## April-June, 2001

**Missouri Department of Conservation**
**Forestry Division**

**Missouri Timber Price Trends** tracks market prices for Stumpage and Delivered Logs. Reports on the Stumpage Market are received from Missouri Department of Conservation Resource Foresters and private consulting foresters. Stumpage refers to timber sold on the stump and does not reflect delivered mill prices. Reports on the Log Market give delivered log prices and are compiled from reports submitted by sawmills and other wood processing plants. These reports should serve as a **general** guide to track stumpage and delivered log prices. Landowners should not use this report to replace a timber inventory and marketing assistance as methods of conducting a sale. Missouri Department of Conservation Resource Foresters will be able to provide information on current, local market conditions. Details of all private sales and delivered prices are kept confidential.

**Tree Scale Conversion Factors**

| | | |
|---|---|---|
| Sawlogs - Veneer Logs | | Int'l = Doyle x 1.2 |
| Pulpwood | Pine | 5,200 lbs/cord |
| | Hardwood (hard) | 5,600 lbs/cord |
| | Hardwood (soft) | 4,200 lbs/cord |

# STATEWIDE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

( April-June, 2001 )

| | High $/MBF | Low $/MBF | Weighted Average | Previous Quarter | Last Year | Number of Reports | Total Volume (M Bd Ft) |
|---|---|---|---|---|---|---|---|
| **Veneer** | | | | | | | |
| Black Walnut | $1,875 | $585 | $1,200 | $1,525 | - | 8 | 21 Int. - MBF |
| White oak (group) | $1,040 | $600 | $690 | $1,840 | $1,665 | 2 | 6 Int. - MBF |
| **Sawlogs** | | | | | | | |
| Ash | $120 | $120 | $120 | $115 | $190 | 1 | 8 Int. - MBF |
| Black Walnut | $540 | $210 | $365 | $385 | $430 | 9 | 38 Int. - MBF |
| Cottonwood | $70 | $50 | $55 | $75 | $35 | 2 | 7 Int. - MBF |
| Elm | $50 | $50 | $50 | $50 | - | 2 | 6 Int. - MBF |
| Hackberry | $60 | $50 | $50 | $105 | - | 2 | 29 Int. - MBF |
| Hickory | $190 | $30 | $65 | $80 | $70 | 7 | 27 Int. - MBF |
| Hard Maple | $120 | $120 | $120 | $130 | - | 1 | 4 Int. - MBF |
| Soft Maple | $250 | $100 | $225 | $220 | $180 | 4 | 97 Int. - MBF |
| Oak (mixed species) | $270 | $50 | $135 | $140 | $140 | 12 | 902 Int. - MBF |
| Red oak (group) | $335 | $70 | $170 | $195 | $175 | 21 | 1,776 Int. - MBF |
| White oak (group) | $210 | $50 | $185 | $200 | $175 | 14 | 212 Int. - MBF |
| Sycamore | $60 | $60 | $60 | $65 | - | 1 | 18 Int. - MBF |
| Mixed Hardwoods | $230 | $35 | $115 | $135 | $55 | 12 | 406 Int. - MBF |
| Eastern Redcedar | $180 | $180 | $180 | - | - | 1 | 45 Int. - MBF |
| S Yellow Pine | $130 | $60 | $115 | $125 | $105 | 4 | 35 Int. - MBF |
| Post Oak | $205 | $50 | $110 | $145 | - | 9 | 109 Int. - MBF |
| **Stave Logs** | | | | | | | |
| White oak (group) | $300 | $200 | $215 | $255 | $300 | 11 | 83 Int. - MBF |



# OZARK TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

( April-June, 2001 )

| | High $/MBF | Low $/MBF | Weighted Average | Previous Quarter | Last Year | Number of Reports | Total Volume (M Bd Ft) |
|---|---|---|---|---|---|---|---|
| **Veneer** | | | | | | | |
| Black Walnut | $1,200 | $1,200 | $1,200 | - | - | 1 | 4 Int. - MBF |
| **Sawlogs** | | | | | | | |
| Black Walnut | $400 | $400 | $400 | $300 | $280 | 1 | 5 Int. - MBF |
| Hickory | $190 | $30 | $70 | $95 | $50 | 5 | 18 Int. - MBF |
| Soft Maple | $110 | $110 | $110 | - | - | 1 | 2 Int. - MBF |
| Oak (mixed species) | $180 | $100 | $135 | $150 | $165 | 6 | 583 Int. - MBF |
| Red oak (group) | $225 | $70 | $170 | $205 | $170 | 14 | 1,720 Int. - MBF |
| White oak (group) | $210 | $125 | $190 | $205 | $175 | 9 | 178 Int. - MBF |
| Mixed Hardwoods | $205 | $110 | $180 | $145 | $40 | 3 | 15 Int. - MBF |
| Eastern Redcedar | $180 | $180 | $180 | - | - | 1 | 45 Int. - MBF |
| S Yellow Pine | $130 | $60 | $125 | $125 | $105 | 3 | 28 Int. - MBF |
| Post Oak | $205 | $50 | $110 | $145 | - | 8 | 109 Int. - MBF |
| **Stave Logs** | | | | | | | |
| White oak (group) | $300 | $290 | $300 | $310 | $385 | 3 | 3 Int. - MBF |

# PRAIRIE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

( April-June, 2001 )

| | High $/MBF | Low $/MBF | Weighted Average | Previous Quarter | Last Year | Number of Reports | Total Volume (M Bd Ft) |
|---|---|---|---|---|---|---|---|
| **Veneer** | | | | | | | |
| Black Walnut | $1,875 | $1,250 | $1,360 | $1,685 | - | 5 | 12 Int. - MBF |
| **Sawlogs** | | | | | | | |
| Ash | $120 | $120 | $120 | $165 | - | 1 | 8 Int. - MBF |
| Black Walnut | $540 | $290 | $420 | $370 | - | 6 | 21 Int. - MBF |
| Cottonwood | $70 | $50 | $55 | $75 | $35 | 2 | 7 Int. - MBF |
| Elm | $50 | $50 | $50 | $50 | - | 2 | 6 Int. - MBF |
| Hackberry | $60 | $50 | $50 | $120 | - | 2 | 29 Int. - MBF |
| Hickory | $50 | $50 | $50 | $70 | - | 2 | 8 Int. - MBF |
| Hard Maple | $120 | $120 | $120 | $130 | - | 1 | 4 Int. - MBF |
| Soft Maple | $250 | $100 | $225 | $220 | $180 | 3 | 96 Int. - MBF |
| Oak (mixed species) | $140 | $65 | $125 | $100 | $275 | 3 | 208 Int. - MBF |
| Red oak (group) | $335 | $150 | $180 | $125 | $150 | 5 | 42 Int. - MBF |
| White oak (group) | $200 | $50 | $135 | $185 | $265 | 4 | 23 Int. - MBF |
| Sycamore | $60 | $60 | $60 | $50 | - | 1 | 18 Int. - MBF |
| Mixed Hardwoods | $115 | $35 | $40 | $45 | $45 | 4 | 133 Int. - MBF |
| Post Oak | $150 | $150 | $150 | - | - | 1 | Int. - MBF |
| **Stave Logs** | | | | | | | |
| White oak (group) | $300 | $200 | $230 | $210 | - | 6 | 15 Int. - MBF |



# RIVERBORDER TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

( April-June, 2001 )

| | High $/MBF | Low $/MBF | Weighted Average | Previous Quarter | Last Year | Number of Reports | Total Volume (M Bd Ft) |
|---|---|---|---|---|---|---|---|
| **Veneer** | | | | | | | |
| Black Walnut | $1,250 | $585 | $810 | $1,070 | - | 2 | 5 Int. - MBF |
| White oak (group) | $1,040 | $1,040 | $1,040 | $805 | $1,665 | 1 | 1 Int. - MBF |
| **Sawlogs** | | | | | | | |
| Black Walnut | $335 | $210 | $265 | $415 | $585 | 2 | 12 Int. - MBF |
| Oak (mixed species) | $270 | $50 | $145 | $50 | $45 | 3 | 111 Int. - MBF |
| Red oak (group) | $150 | $135 | $135 | $115 | $195 | 2 | 14 Int. - MBF |
| White oak (group) | $165 | $165 | $165 | $140 | $175 | 1 | 12 Int. - MBF |
| Mixed Hardwoods | $230 | $40 | $150 | $165 | $90 | 5 | 259 Int. - MBF |
| S Yellow Pine | $70 | $70 | $70 | - | - | 1 | 7 Int. - MBF |
| **Stave Logs** | | | | | | | |
| White oak (group) | $230 | $205 | $210 | $240 | $255 | 2 | 66 Int. - MBF |

# Missouri Log Market Report

**Average Statewide Delivered Prices**
**Dollars per Thousand Board Feet, International ¼" Scale**
( April-June, 2001 )

**Veneer**

| Species | High | Low | Average |
|---|---|---|---|
| Black Walnut | $1,165 | $1,165 | $1,165 |
| White oak (group) | $1,500 | $1,500 | $1,500 |

**Sawlogs**

| Species | Grade 1 | Grade 2 | Grade 3 |
|---|---|---|---|
| Ash | $320 | $225 | $160 |
| Black Walnut | $515 | $395 | $220 |
| Cherry | $1,000 | $615 | $290 |
| Cottonwood | $165 | - | $140 |
| Hickory | $210 | $205 | $190 |
| Hard Maple | $545 | $335 | $250 |
| Soft Maple | $365 | $325 | $255 |
| Red oak (group) | $460 | $315 | $240 |
| White oak (group) | $385 | $265 | $220 |
| Eastern Redcedar | - | $290 | - |
| S Yellow Pine | $200 | $165 | - |
| Post Oak | $220 | $210 | $180 |

*** 21 Mill(s) reporting.**

**Average Ozark Delivered Prices**
**Dollars per Thousand Board Feet, International ¼" Scale**
( April-June, 2001 )

**Sawlogs**

| Species | Grade 1 | Grade 2 | Grade 3 |
|---|---|---|---|
| Ash | $300 | $205 | $160 |
| Black Walnut | $360 | $270 | $180 |
| Cherry | $400 | $265 | $140 |
| Hickory | $205 | $205 | $190 |
| Soft Maple | $185 | $160 | $135 |
| Red oak (group) | $380 | $290 | $220 |
| White oak (group) | $325 | $240 | $210 |
| S Yellow Pine | $200 | $165 | - |
| Post Oak | $235 | $210 | $180 |



*** 16 Mill(s) reporting.**

**Average Prairie Delivered Prices**
**Dollars per Thousand Board Feet, International ¼" Scale**
( April-June, 2001 )

**Sawlogs**

| Species | Grade 1 | Grade 2 | Grade 3 |
|---|---|---|---|
| Ash | $315 | $250 | $170 |
| Black Walnut | $500 | - | $250 |
| Cherry | $585 | $500 | $335 |
| Cottonwood | $165 | - | $140 |
| Hackberry | $210 | - | - |
| Hard Maple | $415 | $335 | $250 |
| Soft Maple | $415 | $375 | $290 |
| Red oak (group) | $585 | $460 | $285 |
| White oak (group) | $375 | $290 | $245 |
| Eastern Redcedar | - | $290 | - |
| Post Oak | - | - | $210 |

*** 4 Mill(s) reporting.**

**Average Riverborder Delivered Prices**
**Dollars per Thousand Board Feet, International ¼" Scale**
( April-June, 2001 )

**Veneer**

| Species | High | Low | Average |
|---|---|---|---|
| Black Walnut | $1,165 | $1,165 | $1,165 |
| White oak (group) | $1,500 | $1,500 | $1,500 |

**Sawlogs**

| Species | Grade 1 | Grade 2 | Grade 3 |
|---|---|---|---|
| Ash | $335 | $230 | - |
| Black Walnut | $585 | $415 | - |
| Cherry | $1,335 | $665 | - |
| Hickory | $210 | - | - |
| Hard Maple | $585 | $335 | - |
| Red oak (group) | $585 | $335 | - |
| White oak (group) | $500 | $290 | - |
| Post Oak | $210 | - | - |



**Average Statewide Delivered Prices**
**Dollars per Thousand Board Feet, International ¼" Scale**
( April-June, 2001 )

**Below Grade Logs**

| Species | Blocking | Pallet | Tie |
|---|---|---|---|
| Ash | $95 | $135 | $220 |
| Black Walnut | $90 | $115 | - |
| Cherry | $90 | $120 | $225 |
| Cottonwood | $140 | $140 | $160 |
| Elm | $100 | $125 | $205 |
| Hackberry | $100 | $125 | $235 |
| Hickory | $115 | $135 | $210 |
| Hard Maple | $95 | $125 | $210 |
| Soft Maple | $90 | $130 | $235 |
| Red oak (group) | $125 | $135 | $220 |
| White oak (group) | $125 | $135 | $215 |
| Pecan | $85 | $115 | - |
| Gum | $100 | $115 | $210 |
| Eastern Redcedar | - | $125 | - |
| S Yellow Pine | $150 | $155 | $195 |
| Post Oak | $115 | $140 | $205 |

*** 28 Mill(s) reporting.**

## QUARTERLY MARKET CONDITIONS

29 mills, with a combined annual production of 84 million board feet, participated in the survey of log and lumber market conditions. In addition, foresters reported stumpage prices resulting from 39 timber sales containing 3.829 million board feet located throughout the state.

**Other Product Prices**
( April-June, 2001 )

| Product | Avg. Price |
|---|---|
| Pulpwood | $20/Tons |
| Scrag Bolts | $220/Int. - MBF |
| Scrag Bolts | $45/Cords |
| Scrag Logs | $20/Tons |
| Scrag Logs | $45/Cords |

**Log Markets**

There is not much good news here. The majority of the 29 mills that reported prices this month did not paint an optimistic picture for improved log prices in the next few months. Log inventories are generally adequate to low, as can be expected for the summer months. However, most mills indicated the rate of log purchases would not increase in the next three months. Concerns for having sufficient log inventory for winter is being offset by the overall inactivity in the marketplace. Business is simply slow for the majority of mills.

The list of wood products markets that declined over the past quarter was much longer than the list for those with improved markets. Leading the list of declining markets were pallet lumber and cut stock. Best potential for improved markets during the next quarter included: flooring lumber, pine lumber, and possibly cross ties.



**Stumpage Markets**

The second quarter was surprising for the number of timber sales reported by foresters. A total of 38 sales were reported. The number of reported walnut sales increased significantly and prices were much better than reported for quite some time. Does this mean that we should look for walnut markets comparable to 15 years ago? Definitely not yet! However, it does mean that consumers are again being offered furniture and cabinetry of walnut and there is increased acceptance of it in the marketplace. If you have been holding some lumber quality walnut timber for better markets, this Fall might be a good time to test the market. Lumber quality trees have been bringing $.40-$.60 per board foot (Doyle Scale) regularly and that might even increase slightly if consumer preference is indeed improving for walnut items.

Demand and price remains good for red oak, especially higher quality. A potential threat to the overall red oak resource, especially in Southern Missouri, has become evident. See a following article for details. White oak sawtimber prices are generally as much as $.10 per board foot lower than red oak. Even white oak stave markets appear to have softened slightly. Demand for White oak veneer for export was down significantly in the early Spring. Some sales have been made, but the European economy will have to improve and the strength of the dollar decline somewhat before demand creates better prices.

Soft maple stumpage prices have remained strong in Northern Missouri. Along with walnut, soft maple is, perhaps, the brightest spot for Prairie Region timber prices. All the other soft hardwood species are steady to slightly lower. As a reminder to landowners, while soft hardwood species (cottonwood, soft maple, sycamore, river birch, etc.) prices may not appear to be very high, the total volume per acre may represent a greater return per acre than an upland oak stand.

With the overall economy in a cooling off period for the past several months, demand for wood pallets has been declining, resulting in lower stumpage prices for low-grade hardwoods. Don't expect this situation to reverse itself quickly because sawmills are content to use their current inventory while they wait for better business conditions. The next two quarters will probably not bring higher prices for blocking, pallet or tie grade logs. In a few local areas, demand for flooring lumber may help to increase the stumpage price for tie grade logs slightly.

**Increasing Risk of Oak Mortality in Missouri**

Information received from Rob Lawrence, Research Entomologist with the Mo. Dept. of Conservation-Forestry Division indicates there is a significant threat to our oak forests already at our southern border. **The Red Oak Borer,** a large, wood-boring beetle, is increasing in significant numbers in northern Arkansas and conditions are favorable for its spread into our state.

Drought conditions of the past few years combined with continuing oak decline are resulting in an increasing risk of severe and possibly widespread oak mortality in southern Missouri. Similar conditions in Arkansas have already led to extensive red oak mortality on the Ozark National Forest. The red oak borer, a large wood-boring beetle, has responded to these changing conditions by becoming a major cause of oak mortality in northwest Arkansas. The potential exists for oak mortality in Missouri to reach levels that will have major impacts on forest and wildlife resources.

Although oak decline has probably always existed at some level in Missouri and Arkansas, what is occurring now in Arkansas is unprecedented in recorded history.

- High levels of red oak mortality were first observed on the Ozark National Forest in 1999.
- A U.S. Forest Service survey in 1999 estimated that severe damage (>75% mortality/decline) existed on 19,000 acres of the Pleasant Hill Ranger District, and moderate damage (50-75%

mortality/decline) existed on another 24,000 acres.

- A June 2001 assessment indicated the situation on the Pleasant Hill RD may be much worse than previously believed, with severe damage present on more than 300,000 acres. The volume of damaged timber was conservatively estimated at more than one billion board feet.
- Under “normal” circumstances, one or two red oak borer attacks per tree are common, and the main damage is minor loss of wood quality. In the current Arkansas situation, red oak borers are attacking at a rate of one larva per linear inch of trunk height (i.e. approx. 500-600 larvae per tree) and are causing tree mortality.
- All sizes of red oaks above 3-4” dbh have been attacked by red oak borers. Tunneling has been observed in branches as small as 3” diameter.
- Forest Service entomologists predict red oak borer populations on the Pleasant Hill Ranger District will remain high for at least another four years (two of the insect’s 2-year life cycles).
- One Forest Service biologist has predicted that very few oaks over 4” dbh will be alive in five years on the Pleasant Hill Ranger District, thus effectively removing much of the mast-producing oaks.

The oak decline situation in Missouri is not nearly as serious as in Arkansas, for the time being. However, all of the predisposing, inciting, and contributing factors listed as causing severe oak decline in Arkansas are presently at work in many forest stands throughout southern Missouri.

- MDC Forestry staff have reported significant increases in oak decline and wood borer activity in some areas, both on state and private lands.
- An evaluation of oak mortality on the Mark Twain National Forest in 2000 indicated 16,000 acres of mortality on the Salem and Potosi Ranger Districts.
- The red oak borer was the most significant damage agent in the Mark Twain NF study. At least 40% of black and scarlet oaks on the Potosi Ranger District had more than 20 red oak borer attacks/tree.
- A few sawmills in southeast Missouri have reported receiving red oak logs that were too heavily damaged by wood borers to be used even for pallet wood.

If Missouri experiences the level of oak mortality that is predicted for northwestern Arkansas, there could be serious impacts on forest ecosystem health, wildlife habitat, wildfire risk, timber industry economy, and safety of forest workers and visitors. For a discussion of these topics see this web page: www.fs.fed.us/oonf/ozark/oak/facts.html Further information on oak decline, red oak borers, *Armillaria*, and other forest insects and diseases can be viewed at this web site: www.na.fs.fed.us/spfo/pubs/fidlpage.htm

**Editor's Note:** Remember that one of the most valuable sources for information on log and timber markets is thelocal Missouri Department of Conservation Resource Forester. Contact the nearest Forest District office for up-to-date, local advice. The Missouri Department of Conservation's Forestry Division, (573) 751-4115, Extension 308, will be happy to provide you with the name and address of the Resource Forester or District Forest Office nearest to you.



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ADDRESS CORRECTION REQUESTED